

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7987

BILL NUMBER: HB 1653

DATE PREPARED: Apr 30, 1999

BILL AMENDED: Apr 29, 1999

SUBJECT: Residential landlord and tenant law.

FISCAL ANALYST: Susan Preble

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (CCR Amended) This bill requires a landlord to give a tenant at least 30 days written notice before modifying the rental agreement unless a written rental agreement provides otherwise. It states circumstances under which a landlord may enter a tenant's dwelling unit. It provides that a landlord may not deny a tenant access to the tenant's personal property, except under an existing statute. It provides that a landlord may not interfere with a tenant's access to or possession of the tenant's dwelling unit, except under a judicial order.

The bill provides that a tenant may not interrupt, reduce, shut off, or cause termination of utility services to the tenant's dwelling unit if the action will result in serious damage to the rental unit. It establishes an emergency possessory action in small claims courts for a landlord or a tenant to obtain a hearing within three business days if the tenant is committing waste to the rental unit or if the landlord has violated the tenant's right of access to or possession of the dwelling unit.

Effective Date: July 1, 1999.

Explanation of State Expenditures: (Revised) This bill establishes an emergency possessory action in small claims courts for a landlord or a tenant to obtain a hearing within three business days under certain circumstances.

Depending on the current caseloads of courts with small claims jurisdiction, and the extent to which small claims filings increase as a result of the new action established by the bill, additional resources may be required in order to meet the requirement that hearings for emergency possessory actions be held within three business days.

Explanation of State Revenues: (Revised) By establishing an emergency possessory action in small claims courts, this bill may increase small claims filings in Indiana courts. The filing fee for small claims actions

is \$35. Of this fee, 70% is deposited in the State General Fund if the case is filed in a trial court. If a civil case is filed in a city or town court (providing the court has jurisdiction), the State General Fund receives 55% of the filing fee.

Explanation of Local Expenditures: (Revised) Any additional filings under this specific cause of action will have a minimal impact on the caseloads of trial or city and town courts. The operating expenses of the trial courts are paid by the County General Fund. The expenses of the city and town courts are paid by the General Fund of the city or town in which the court is located.

Explanation of Local Revenues: (Revised) If a small claims action is filed in a trial court, the County General Fund receives 27% of the \$35 filing fee. The other 3% is deposited in the General Fund of the cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a circuit, superior, county or municipal court located in the county. If the case is filed in a city or town court (providing the court has jurisdiction), the County General Fund receives 20% while the city or town General Fund receives 25%.

State Agencies Affected:

Local Agencies Affected: Courts of record and some city and town courts; clerks.

Information Sources: 1997 Indiana Judicial Report, Vol. I, p. 83.